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UNITED STATES DISTRICT COURT

DISTRICT OF OREGON

PORLAND DIVISION

HITACHI KOKUSAI ELECTRIC, INC., a Japanese corporation, KOKUSAI SEMICONDUCTOR EQUIPMENT CORPORATION, a Delaware corporation, and KABUSHIKI-KAISHA KOKUSAI ELECTRIC, a Japanese corporation,

Plaintiffs,

v.

ASM INTERNATIONAL, N.V., a Netherlands corporation, and ASM AMERICA, INC., a Delaware corporation,

Civil Action No.: 3:18-cv-00323-AC

JOINT REPORT OF PARTIES REGARDING CASE STATUS

Counsel for Plaintiffs Hitachi Kokusai Electric, Inc. (“HiKE”), Kokusai Semiconductor Equipment Corporation (“KSEC”), and Kabushiki-Kaisha Kokusai Electric (“KE”) (collectively, “Plaintiffs”), and Counsel for Defendants ASM International, N.V., and ASM America, Inc. (collectively, “Defendants” or “ASM”), conferred telephonically on August 6, 2018.

Plaintiffs believe that the parties’ August 6, 2018 telephonic conference satisfied the Federal Rule of Civil Procedure 26(f) requirements. During the meet and confer, the parties discussed each of the matters identified in this Joint Report, including the disclosures required by Rule 26(a)(1), issues concerning the preservation of discoverable information, and a proposed discovery (and e-discovery) plan. Counsel for all parties attempted in good faith to agree on the proposed discovery plan.

Defendants also mischaracterize the current state of the case. For weeks prior to the August 6, 2018 conference, the parties were discussing the proposed schedule for this matter. The parties’ telephonic conference was conducted pursuant to the Federal and Local Rule 26 with the goal of discussing the case schedule and discovery plan. At no time during the August 6, 2018 conference did counsel for Defendants assert that the conference was not in accordance with Rule 26(f) as Defendants now contend. Accordingly, Plaintiffs believe that discovery in this matter is open until the Court orders otherwise.

Defendants contend that pursuant to the Court’s Discovery and Pretrial Scheduling Order entered February 20, 2018, discovery closed June 20, 2018, and shall remain closed until the Court orders otherwise. Accordingly, as set forth herein, Defendants propose that the parties conduct a Rule 26(f) conference within 14 days of the Court entering an order on the pending motion to dismiss, stay, or transfer. Dkt. No. 19.

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The parties' agreements and disputes are set forth below.

I. JURISDICTION AND SERVICE

This Court has subject matter jurisdiction over the claims in this case under 28 U.S.C.

§§ 1331 and 1338(a). The parties have been served with all filings in this case.

Defendants object to venue in the District of Oregon and have filed a motion to dismiss, stay, or transfer this action to the Northern District of California. Dkt. No. 19. Plaintiffs oppose Defendants' motion (Dkt. No. 23), which does not, and cannot, contend that venue is improper in this District but instead seeks transfer for purported convenience (*see* Dkt. No. 19).

II. IDENTIFICATION OF THE ISSUES

- A. Whether this action should be dismissed, stayed, or transferred in view of related litigation pending in the Northern District of California;
- B. Whether ASM infringes or has infringed U.S. Patent No. 8,673,076 ("the '076 Patent") under 35 U.S.C. § 271;
- C. Whether the '076 Patent is invalid under 35 U.S.C. §§ 101, 102, 103, and/or 112 or for failure to comply with any other requirement for patentability;
- D. Whether ASM infringes or has infringed U.S. Patent No. 7,622,007 ("the '007 Patent") under 35 U.S.C. § 271;
- E. Whether the '007 Patent is invalid under 35 U.S.C. §§ 101, 102, 103, and/or 112 or for failure to comply with any other requirement for patentability;
- F. Whether ASM infringes or has infringed U.S. Patent No. 6,514,869 ("the '869 Patent") under 35 U.S.C. § 271;
- G. Whether the '869 Patent is invalid under 35 U.S.C. §§ 101, 102, 103, and/or 112 or for failure to comply with any other requirement for patentability;
- H. Whether ASM infringes or has infringed U.S. Patent No. 6,783,627 ("the '627 Patent") under 35 U.S.C. § 271;
- I. Whether the '627 Patent is invalid under 35 U.S.C. §§ 101, 102, 103, and/or 112 or for failure to comply with any other requirement for patentability;

- J. Whether Plaintiffs' claims are barred in whole or in part under the doctrine of prosecution history estoppel;
- K. Whether Plaintiffs' claims are estopped based on the inconsistent positions taken in this litigation when compared against the arguments previously asserted;
- L. Whether Plaintiffs' claims are barred in whole or in part under additional principles of equity, including but not limited to unclean hands;
- M. Whether ASM willfully infringed and/or continues to willfully infringe;
- N. Whether Plaintiffs are entitled to and the extent of any enhanced damages under 35 U.S.C. § 284;
- O. Whether Plaintiffs are entitled to a finding that this case is exceptional under 35 U.S.C. § 285;
- P. Whether Plaintiffs are entitled to and the extent of any appropriate relief under 35 U.S.C. § 285;
- Q. Whether Plaintiffs are entitled to and the extent of any other costs and expenses;
- R. Whether ASM is entitled to a finding that this case is exceptional under 35 U.S.C. § 285; and
- S. Whether ASM is entitled to, and the extent of any, other costs and expenses.

III. NARROWING OF THE ISSUES

The parties agree that they may be able to narrow certain issues once discovery has progressed.

Defendants' Position

As of the filing of this report, an affiliate of Defendants, ASM IP Holding B.V., has requested *inter partes* review of three of the four asserted patents and will be requesting *inter partes* review of the remaining patent. Defendants believe these IPR proceedings are likely to narrow the issues for trial and warrant a stay of these proceedings pending their final resolution.

Plaintiffs' Position

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Although ASM IP Holding B.V.—a non-party to this case—has requested *inter partes* review for a subset of the asserted patents here, Plaintiffs do not believe these IPR proceedings are likely to narrow the issues for trial. Nor do they warrant a stay of these proceedings at least because the three IPRs have not been instituted and Plaintiffs will oppose such institution before the PTAB.

IV. RELIEF

The relief that Plaintiffs seek in this case against ASM is detailed in its Complaint. In summary, Plaintiffs seek:

- A. a judgment that ASM has infringed and is infringing the Asserted Patents;
- B. a judgment that ASM has induced and is inducing infringement of the Asserted Patents;
- C. a judgment that ASM has contributed to and is contributing to infringement of the Asserted Patents;
- D. a judgment that the Asserted Patents are valid and enforceable;
- E. a preliminary and permanent injunction against ASM;
- F. an accounting for any infringing sales not presented at trial and an award by the Court of any additional damages for any such infringing sales;
- G. damages adequate to compensate Plaintiffs for ASM's infringement of the Asserted Patents, together with interest and costs, pursuant to 35 U.S.C. § 284;
- H. a finding of ASM's infringement of the Asserted Patents to be willful and a trebling of damages pursuant to 35 U.S.C. § 284;

I. a determination that this action is an exceptional case pursuant to 35 U.S.C. § 285, and an award to Plaintiffs of their attorneys' fees, costs, and expenses incurred in connection with this action; and

J. such other equitable or legal relief as the Court deems just and proper under the circumstances.

Should this action proceed, ASM anticipates seeking the following relief:

A. A judgment or order dismissing, with prejudice, all of Plaintiffs' claims against ASM;

B. A judgment or order denying all relief that Plaintiffs seek;

C. A declaratory judgment that all asserted claims of the asserted patents are invalid;

D. A declaratory judgment that ASM has not infringed, induced to infringe, or contributed to infringement of any valid and enforceable claim of the asserted patents, literally or under the doctrine of equivalents, or under any subsection of 35 U.S.C. § 271;

E. A finding that this case is exceptional under 35 U.S.C. § 285 and an order awarding ASM its costs and attorneys' fees; and

F. Any other relief that the Court deems just and equitable.

V. AMENDMENT OF PLEADINGS

Plaintiffs do not presently anticipate amending their pleadings further but reserve their right to do so as the case develops and new information is learned in discovery.

Defendants have not yet filed a responsive pleading in view of their pending motion to dismiss, stay, or transfer.

VI. JOINDER OF PARTIES

The parties are not presently aware of any additional parties that need or should be joined in this action but may seek to join additional parties should the need arise in accordance with the Court's scheduling order, the Federal and Local Rules, by stipulation, or by leave of the Court.

VII. DISCOVERY

Consistent with the parties' telephonic conference (that Plaintiffs contend was pursuant to Rule 26(f)) held on August 6, 2018, Plaintiffs do not presently anticipate any need to change the limitations on discovery set forth by the Federal Rules of Civil Procedure but reserve their right to request limitations as the case develops.

Defendants propose that the parties conduct a Rule 26(f) conference—as necessary—following the Court's ruling on Defendants' pending motion to dismiss, stay, or transfer.

A. Electronically Stored Information (“ESI”) and Stipulated Protective Orders

The parties agree to work cooperatively towards a stipulated e-discovery order. The parties also agree that the sensitive nature of the material at issue in this case requires a protective order concerning discovery of confidential information, and agree to discuss entering a stipulated protective order.

Plaintiffs propose that the parties agree to submit a stipulated proposed e-discovery order and protective order within 30 days of filing this document.

Defendants propose that the parties discuss a stipulated proposed e-discovery order and protective order as part of the Rule 26(f) conference, if any, following the Court's ruling on Defendants' pending motion to dismiss, stay, or transfer.

B. Privilege Logs

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The parties agree that privileged communications and documents covered by attorney work product protection that were created after the filing date of this case need not be included on any privilege log, except that if a party purports to rely on an opinion of counsel dated after the filing date, any communications related to such opinion of counsel shall be logged regardless of their date of creation.

C. Subjects for Discovery

During the August 6, 2018 teleconference, the parties discussed and were in general agreement that discovery is anticipated concerning the matters set forth in the Complaint. Plaintiffs contend that discovery is open concerning all of the matters set forth in the Complaint. Defendants contend that discovery is currently closed.

VIII. OTHER MATTERS CONDUCIVE TO THE JUST, SPEEDY, AND INEXPENSIVE DETERMINATION OF THIS ACTION

A. Proposed Schedule

Consistent with the Federal Rules of Civil Procedure and Local Rules, Plaintiffs propose the schedule set forth in Appendix A to this Joint Statement. Plaintiffs' proposed dates include dates consistent with the Federal and Local Rules. To secure the just, speedy, and inexpensive determination of this action, Plaintiffs oppose Defendants' position that the Court should defer entry of a case schedule until after resolution of Defendants' pending motion.

Defendants believe the Court should either (i) defer entry of a case schedule pending its decision on Defendants' motion to dismiss, stay, or transfer or (ii) enter a schedule with dates that are triggered off the Court's order on the pending motion to dismiss, stay, or transfer. Accordingly, Appendix B sets forth Plaintiffs' alternative dates (following the Court's order on

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Defendants' pending motion to dismiss, stay, or transfer) in the first column as well as Defendants' counter proposal in the second column. Rows highlighted in yellow are disputed.

B. Service

The parties have agreed that service by electronic mail to counsel of record shall be equivalent to personal service.

IX. LOCAL RULE 11-1(d)(2)

Pursuant to L.R. 11-1(d)(2), counsel signing below consent to their signatures on this submission.

DATED this 22nd day of August, 2018.

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APPENDIX A

PLAINTIFFS' DATES	EVENT
August 24, 2018	Initial Disclosures; Confer on ADR
TBD (based on Court's availability)	Rule 16 Scheduling Conference
September 17, 2018	Joint ADR Report
September 25, 2018	Last Day to Amend Pleadings and Add Parties
October 9, 2018; or 60 days after the parties exchange initial disclosures	Disclosure of Infringement Contentions and Accompanying Document Production
November 8, 2018; or 30 days after disclosure of infringement contentions	Disclosure of Invalidity Contentions And Accompanying Document Production
November 22, 2018; or 14 days after service of the invalidity contentions	Exchange of Proposed Terms for Construction
December 10, 2018; or 30 days after disclosure of invalidity contentions	Exchange of Preliminary Claim Constructors and Extrinsic Evidence
January 9, 2019; or 30 days after exchange of preliminary claim constructions and extrinsic evidence	Joint Claim Construction Statement
February 9, 2019; or 30 days after submission of joint claim construction statement	Completion of Claim Construction Discovery
February 25, 2019; or 14 days after completion of claim construction discovery	Opening Claim Construction Briefs
March 11, 2019; or 14 days after submission of opening claim construction briefs	Responsive Claim Construction Briefs
April 2, 2019; or 14 days after submission of responsive claim construction briefs	Reply Claim Construction Briefs
May 2, 2019; or 30 days after submission of reply claim construction briefs; or closest date thereto that the Court is available	Claim Construction Tutorial and Hearing
90 days after Court's Claim Construction Order	Close of Fact Discovery
45 days after close of fact discovery	Initial Expert Reports On Issues For Which The Serving Bears The Burden At Trial
30 days after service of initial expert reports	Rebuttal Expert Reports
30 days after service of rebuttal expert reports	Expert Discovery Motions, Excluding <i>Daubert</i> Motions
30 days after service of rebuttal expert reports	Close of Expert Discovery
30 days after close of expert discovery	Last Day to File Dispositive and <i>Daubert</i> Motions
30 days after filing dispositive or <i>Daubert</i> motions	Responses to Dispositive and <i>Daubert</i> Motions

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14 days after filing responses to dispositive or <i>Daubert</i> motions	Replies to Dispositive and <i>Daubert</i> Motions
90 days after Court's resolution of all pending dispositive or <i>Daubert</i> motions	Last Day to File Joint Proposed Pretrial Order; Pretrial Motions; Motions in Limine
TBD (based on Court's availability)	Pretrial Conference
July 13, 2020; or the closest date thereto that the Court is available	Trial

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APPENDIX B¹

PLAINTIFFS' ALTERNATIVE DATES	ASM'S DATES ²	EVENT
	Within 14 days of Court's decision on pending motion to dismiss, stay, or transfer	Parties to Hold Rule 26(f) Conference
	14 days after parties hold Rule 26(f) Conference	Initial Disclosures; Confer on ADR; File Joint Rule 26(f) Conference Statement
TBD (based on Court's availability)	TBD (based on Court's availability)	Rule 16 Scheduling Conference
	30 days after parties confer on ADR	Joint ADR Report
	90 days after parties exchange initial disclosures	Last Day to Amend Pleadings and Add Parties
60 days after the parties exchange initial disclosures	60 days after the parties exchange initial disclosures	Disclosure of Infringement Contentions and Accompanying Document Production³
30 days after disclosure of infringement contentions	60 days after disclosure of infringement contentions	Disclosure of Invalidity Contentions And Accompanying Document Production⁴
14 days after service of the invalidity contentions	30 days after disclosure of invalidity contentions	Exchange of Proposed Terms for Construction⁵
30 days after disclosure of invalidity contentions	30 days after exchange of proposed terms for construction	Exchange of Preliminary Claim Constructors and Extrinsic Evidence⁶
30 days after exchange of preliminary claim	30 days after exchange of preliminary claim	Joint Claim Construction Statement⁷

¹ Disputed dates highlighted in yellow.

² In the event the Court decides to enter a schedule prior to a decision on the pending motion to dismiss, stay, or transfer.

³ This disclosure shall satisfy the requirements of the Northern District of California's Patent L.R. 3-1 and 3-2.

⁴ This disclosure shall satisfy the requirements of the Northern District of California's Patent L.R. 3-3 and 3-4.

⁵ This exchange shall satisfy the requirements of the Northern District of California's Patent L.R. 4-1.

⁶ This exchange shall satisfy the requirements of the Northern District of California's Patent L.R. 4-2.

⁷ This statement shall satisfy the requirements the Northern District of California's Patent L.R. 4-3.

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constructions and extrinsic evidence	constructions and extrinsic evidence	
30 days after submission of joint claim construction statement	30 days after submission of joint claim construction statement	Completion of Claim Construction Discovery
14 days after completion of claim construction discovery	30 days after completion of claim construction discovery	Opening Claim Construction Briefs
14 days after submission of opening claim construction briefs	21 days after submission of opening claim construction briefs	Responsive Claim Construction Briefs
14 days after submission of responsive claim construction briefs	14 days after submission of responsive claim construction briefs	Reply Claim Construction Briefs
30 days after submission of reply claim construction briefs; or closest date thereto that the Court is available	30 days after submission of reply claim construction briefs; or closest date thereto that the Court is available	Claim Construction Tutorial and Hearing
90 days after Court's Claim Construction Order	180 days after Court's Claim Construction Order	Close of Fact Discovery
45 days after close of fact discovery	45 days after close of fact discovery	Initial Expert Reports On Issues For Which The Serving Bears The Burden At Trial
30 days after service of initial expert reports	45 days after service of initial expert reports	Rebuttal Expert Reports
30 days after service of rebuttal expert reports	30 days after service of rebuttal expert reports	Expert Discovery Motions, Excluding <i>Daubert</i> Motions
30 days after service of rebuttal expert reports	30 days after service of rebuttal expert reports	Close of Expert Discovery
30 days after close of expert discovery	30 days after close of expert discovery	Last Day to File Dispositive and <i>Daubert</i> Motions
30 days after filing dispositive or <i>Daubert</i> motions	30 days after filing dispositive or <i>Daubert</i> motions	Responses to Dispositive and <i>Daubert</i> Motions
14 days after filing responses to dispositive or <i>Daubert</i> motions	14 days after filing responses to dispositive or <i>Daubert</i> motions	Replies to Dispositive and <i>Daubert</i> Motions
90 days after Court's resolution of all pending dispositive or <i>Daubert</i> motions	90 days after Court's resolution of all pending dispositive or <i>Daubert</i> motions	Last Day to File Joint Proposed Pretrial Order; Pretrial Motions; Motions in Limine
TBD (based on Court's availability)	TBD (based on Court's availability)	Pretrial Conference

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July 13, 2020; or the closest date thereto that the Court is available	TBD (based on Court's availability)	Trial
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